

if they were in a medical institution, and who are receiving, while living at home, medical care that would be provided in a medical institution.

(b) If the agency elects the option provided by paragraph (a) of this section, it must determine, in each case, that the following conditions are met:

(1) The child requires the level of care provided in a hospital, SNF, or ICF.

(2) It is appropriate to provide that level of care outside such an institution.

(3) The estimated Medicaid cost of care outside an institution is no higher than the estimated Medicaid cost of appropriate institutional care.

(c) The agency must specify in its State plan the method by which it determines the cost-effectiveness of caring for disabled children at home.

[55 FR 48608, Nov. 21, 1990]

§ 435.227 Individuals under age 21 who are under State adoption assistance agreements.

(a) The agency may provide Medicaid to individuals under the age of 21 (or, at State option, age 20, 19, or 18)—

(1) For whom an adoption agreement (other than an agreement under title IV-E) between the State and the adoptive parent(s) is in effect;

(2) Who, the State agency responsible for adoption assistance, has determined cannot be placed with adoptive parents without Medicaid because the child has special needs for medical or rehabilitative care; and

(3) Who meet either of the following:

(i) Were eligible for Medicaid under the State plan before the adoption agreement was entered into; or

(ii) Would have been eligible for Medicaid before the adoption agreement was entered into, if the eligibility standards and methodologies of the title IV-E foster care program were used without employing the threshold title IV-A eligibility determination.

(b) For adoption assistance agreements entered into before April 7, 1986—

(1) The agency must deem the requirements of paragraphs (a)(1) and (2) of this section to be met if the State adoption assistance agency determines that—

(i) At the time of the adoption placement, the child had special needs for medical or rehabilitative care that made the child difficult to place; and

(ii) There is in effect an adoption assistance agreement between the State and the adoptive parent(s).

(2) The agency must deem the requirements of paragraph (a)(3) of this section to be met if the child was found by the State to be eligible for Medicaid before the adoption assistance agreement was entered into.

[55 FR 48608, Nov. 21, 1990]

§ 435.229 Optional targeted low-income children.

The agency may provide Medicaid to—

(a) All individuals under age 19 who are optional targeted low-income children as defined in § 435.4; or

(b) Reasonable categories of these individuals.

[66 FR 2667, Jan. 11, 2001]

OPTIONS FOR COVERAGE OF THE AGED, BLIND, AND DISABLED

§ 435.230 Aged, blind, and disabled individuals in States that use more restrictive requirements for Medicaid than SSI requirements: Optional coverage.

(a) *Basic optional coverage rule.* If the agency elects the option under § 435.121 to provide mandatory eligibility for aged, blind, and disabled SSI recipients using more restrictive requirements than those used under SSI, the agency may provide eligibility as optional categorically needy to additional individuals who meet the requirements of this section.

(b) *Group composition.* Subject to the conditions specified in paragraphs (d) and (e) of this section, the agency may provide Medicaid to individuals who:

(1) Meet the nonfinancial criteria that the State has elected to apply under § 435.121;

(2) Meet the resource requirements that the State has elected to apply under § 435.121; and

(3) Meet the income eligibility standards specified in paragraph (c) of this section.

(c) *Criteria for income standards.* The agency may provide Medicaid to the